

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 2022-76-W - ORDER NO. 2022-270

APRIL 19, 2022

IN RE:	Application for Approval of a Water	)	ORDER APPROVING
	Agreement between Blue Granite Water	)	WATER SERVICE
	Company and Mungo Homes Properties, LLC	)	AGREEMENT
	for Phases 5 - 9 of the Jessamine Place	)	
	Development		

**I. INTRODUCTION**

This matter comes before the Public Service Commission of South Carolina (“the Commission”) on the request for approval of a Water Agreement (“the Agreement”) between Blue Granite Water Company (“Blue Granite”) and Mungo Homes Properties, LLC (Mungo Homes) related to phases 5 through 9 of the Jessamine Place Development in Lexington, South Carolina. Blue Granite submits that notice and a hearing are not required under the circumstances of this case. Under the proposed Water Agreement, Blue Granite would provide water service to Phases 5 through 9 of the Jessamine Place Development. For the reasons discussed below, the Commission approves the Water Service Agreement for Phases 5 through 9 of the Jessamine Place Development between Blue Granite and Mungo Homes.

**II. PROCEDURAL HISTORY AND DISCUSSION**

On November 6, 2019, the Commission approved the water service agreement applicable to Phases 1 through 4 of the Jessamine Place Development in Order No. 2019-772 in Docket No. 2019-332-W. On February 14, 2022, Blue Granite filed a Request for

Approval of the Water Agreement for Phases 5 through 9 of the Jessamine Place Development. The Water Agreement was executed by Blue Granite and Mungo Homes on December 30, 2021. The Office of Regulatory Staff (ORS) filed a letter with the Commission on February 25, 2022, stating that it did not object to the filing by Blue Granite, and that such Agreement relates only to water facilities of Blue Granite to serve the property.

### **III. DISCUSSION**

Under the proposed Water Agreement, Blue Granite would provide water service to Phases 5 through 9 of the Jessamine Place Development, which consists of one-hundred sixty-five (165) single family homes and three (3) irrigation connections. The estimated daily water usage is 68,800 gpd when completed, and based upon the guideline of 400 gpd per single family home equivalent (SFE), the daily water usage will equate to one hundred seventy-two (172) SFEs.

Blue Granite asserts that it has water service available to serve this area. Mungo Homes will construct and install at no cost to Blue Granite the water distribution facilities to serve Phases 5 through 9 of the development. The Commission has approved the developer agreements applicable to Phases 1 through 4<sup>1</sup> of the Jessamine Place Development, and Blue Granite has now entered into an Agreement with Mungo Homes applicable to Phases 5 through 9 of the development.

As per the Agreement, the Phases 5 through 9 of Jessamine Place Development property are currently solely owned by developer Mungo Homes. According to the

---

<sup>1</sup> See Commission Order No. 2019-772 issued November 6, 2019, in Docket No. 2019-332-W.

Agreement, the 21.1 acres of the property consisting of Phases 5 through 9 of the Jessamine Place Development is entirely within the Blue Granite service area in Lexington County, South Carolina.

S.C. Code Ann. Regs. 103-743 (2012) provides that:

No utility shall execute or enter into any agreement or contract with any person, firm, partnership, or corporation or any agency of the Federal, state, or local government which would impact, pertain to, or effect said utility's fitness, willingness, or ability to provide water service, including but not limited to the treatment of said water, without first submitting said contract in form to the commission and the ORS and obtaining approval of the commission.

S.C. Code Ann. Regs. 103-743 (2012).

The South Carolina Office of Regulatory Staff ("ORS") has filed a letter with this Commission, stating that it had reviewed the Agreement in question and does not have any objection. ORS determined that Blue Granite and Mungo Homes attempted to comply with S.C. Code Ann. Regs. 103-743. We agree. The Agreement between Blue Granite and Mungo Homes pertains to Blue Granite's ability to provide water service, in that the provision of such service to Phases 5 through 9 of Jessamine Place Development would create an estimated new usage of 68,800 gpd when completed. Blue Granite agrees to provide the necessary water service in the Agreement, whereas the developer agrees to provide the facilities needed for provision of the service. The Agreement is consistent with the regulation.

Blue Granite states that no notice of hearing is appropriate in this case for approval of the Agreement. Blue Granite notes that the Agreement is not a "new rate, toll, rental, charge, or classification or a new regulation" under S.C. Code Ann. Section 58-5-240

(2015), nor a “new or changed schedule” under S.C. Code Ann. Section 58-5-260, and asserts that, accordingly, notice and hearing are not required. We agree with these assertions and hold that notice and a hearing are not required under the circumstances of this case.

Based on the matters mentioned herein, we make the following Findings of Fact and Conclusions of Law:

#### **IV. FINDINGS OF FACT**

1. Blue Granite Water Company holds a Certificate of Public Convenience and Necessity to provide water services under the jurisdiction of the Public Service Commission of South Carolina.

2. Blue Granite Water Company and Mungo Homes have entered into a Water Service Agreement for Phases 5 through 9 of the Jessamine Place Development.

3. The property consisting of Phases 5 through 9 of the Jessamine Place Development is 21.1 acres of property entirely within the Blue Granite service area in Lexington County, South Carolina.

4. Phases 5 through 9 would create an estimated new usage of 68,800 gpd when completed.

5. Blue Granite desires to provide water service to Phases 5 through 9 under the Agreement, in return for Mungo Homes Properties, LLC dedicating to Blue Granite the facilities to provide the service constructed and installed by Mungo Homes Properties, LLC.

6. Blue Granite has water service available to serve Phases 5 through 9 of the Jessamine Place Development.

7. Blue Granite will provide potable water service to Phases 5 through 9 of the Jessamine Place Development under the Agreement.

## **V. CONCLUSIONS OF LAW**

1. The Agreement for Water Service is governed by S.C. Code Ann. Regs. 103-743 (2012).

2. The Agreement for Water Service is consistent with and in compliance with S.C. Code Ann. Regs. 103-743.

3. No Notice and Hearing are required for approval of the Agreement for Water Service, since neither S.C. Code Ann. Section 58-5-240, nor S.C. Code Ann. Section 58-5-260 are applicable to the Agreement.

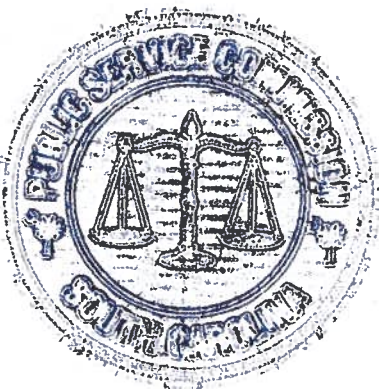
4. The Agreement in question should be approved.

## **VI. ORDERING CLAUSES**

1. The Agreement for Water Service between Blue Granite Water Company and Mungo Homes Properties, LLC for the provision of water service to Phases 5 through 9 of Jessamine Place Development is hereby approved.

2. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



  
Justin T. Williams, Chairman  
Public Service Commission of  
South Carolina